

# **EXHIBIT**

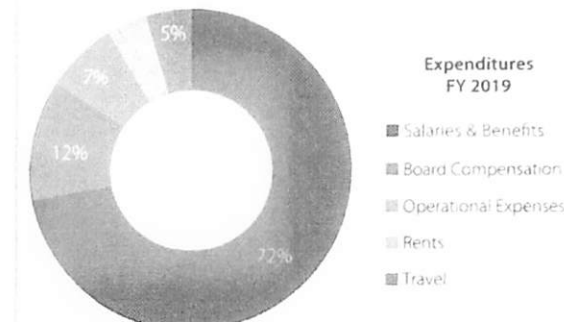
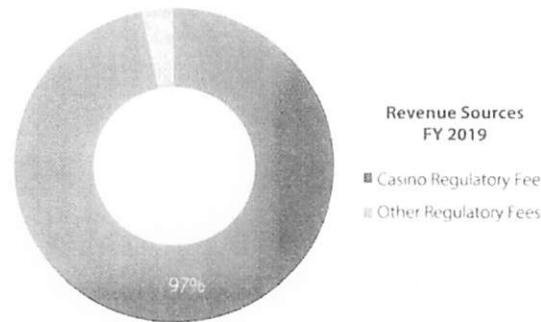
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(CCCRF) Fund. Revenue Sources and Expenditures are shown in Table 1 and Table 2, respectively.

TABLE 1: REVENUE SOURCES		
	FISCAL YEAR 2018	FISCAL YEAR 2019
CCCRF Fund	\$3,000,000	\$3,000,000
Other Regulatory Fees	\$151,242	\$100,328
<b>TOTAL</b>	<b>\$3,151,242</b>	<b>\$3,100,328</b>

TABLE 2: EXPENDITURES		
	FISCAL YEAR 2018	FISCAL YEAR 2019
Salaries & Benefits	\$2,009,754	\$1,926,720
Board Compensation	\$313,774	\$324,996
Operational Expenses	\$315,799	\$193,471
Office Rental	\$85,956	\$109,000
Travel	\$221,898	\$123,157
<b>TOTAL</b>	<b>\$2,947,181</b>	<b>\$2,677,344</b>



CNMI Public Law 19-24 created the Commonwealth Casino Commission Regulatory Fee ("CCCRF") Fund, codified in 4 CMC § 2309, which established a flat annual license fee of Three Million Dollars (\$3,000,000) with a five percent increase every five years for the next twenty years beginning October 1, 2015. The CCCRF Fund is the annual license fee for Casino Employees, Key Employees, Gaming Tables, and Electronic Gaming Machines (slot machines). P.L. 19-24 allows the assessment of a flat fee of 3 million dollars rather than assessing individual license fees for employees, tables, and machines.

As shown on the Expenditures chart, the Commission's greatest expenses are primarily for employee salaries and benefits and board compensation. The Commission also continues to invest in its people through professional trainings and development relevant to the casino gaming industry. The trainings help the Commission enhance personnel knowledge of new standards, industry best practices and evolving technologies in casino gaming that includes the latest software, hardware, equipment, games, and other facets of the industry such as activities that involve criminal elements.



Commonwealth Casino Commission Division Employees of the Year

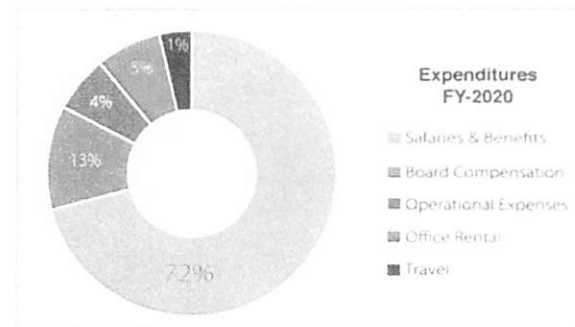
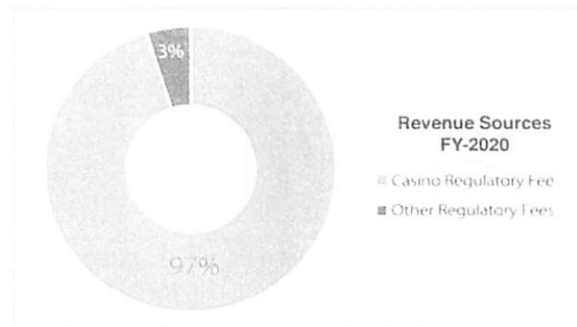
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**FINANCES (Public Law 20-67)**

For FY-2020, the Commission's budget is \$3,106,501 derived from the CNMI General Fund (\$1) and from the Commonwealth Casino Commission Regulatory Fee (CCCRF) Fund. Revenue Sources and Expenditures are shown in Table 1 and Table 2, respectively.

<b>TABLE 1: REVENUE SOURCES</b>		
	<b>FY-2019</b>	<b>FY-2020</b>
CCCRF Fund	\$3,000,000	\$3,000,000
Other Regulatory Fees	\$100,328	\$106,501
Local General Fund	\$1	\$1
<b>TOTAL</b>	<b>\$3,100,329</b>	<b>\$3,106,501</b>

<b>TABLE 2: EXPENDITURES</b>		
	<b>FY-2019</b>	<b>FY-2020</b>
Salaries & Benefits	\$1,926,720	\$1,904,767
Board Compensation	\$324,996	\$316,871
Operational Expenses	\$193,471	\$93,149
Office Rental	\$109,000	\$120,000
Travel	\$123,157	\$13,830
<b>TOTAL</b>	<b>\$2,677,344</b>	<b>\$2,448,617</b>



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# REGULATIONS, AND CASINO LICENSE AGREEMENT, TO PROVIDE REGULATORY OVERSIGHT OVER SAIPAN'S CASINO GAMING INDUSTRY.

## FINANCES

Challenges

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## FINANCES

For FY-2021, the Commission's revenue was limited to only \$20,215 due to the Casino Licensee's failure to pay the annual Casino Regulatory Fee of \$3.15M which was due on October 1, 2020.

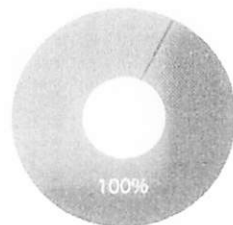
The Commission's expenses are primarily for employee salaries and benefits and board compensation.

TABLE 1: REVENUE SOURCES

	FY-2020	FY-2021
CCCRF Fund	\$3,000,000	\$0
Other Regulatory Fees	\$106,500	\$20,214
Local General Fund	\$1	\$1
<b>TOTAL</b>	<b>\$3,106,501</b>	<b>\$20,215</b>

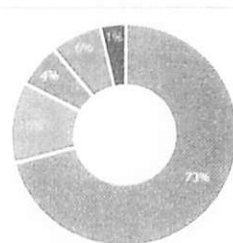
TABLE 2: EXPENDITURES

	FY-2020	FY-2021
Salaries & Benefits	\$1,904,767	\$1,424,606
Board Compensation	\$316,871	\$322,234
Operational Expenses	\$93,149	\$70,287
Office Rental	\$120,000	\$120,000
Travel	\$13,830	\$18,156
<b>TOTAL</b>	<b>\$2,448,617</b>	<b>\$1,955,283</b>



Revenue Source  
FY-2021

- Other Regulatory Fees
- Local General Fund



Expenditures  
FY-2021

- Salaries & Benefits
- Board Compensation
- Operational Expenses
- Office Rental
- Travel



2021 Commission Members. (Left to Right) Secretary Ramon M. Dela Cruz, Treasurer Mariano Taitano, Chairman Edward DeLeon Guerrero, Vice Chairman Rafael Demapan, Public Affairs Diego M. Songao

## REGULATION AMENDMENTS

- Commonwealth Register Volume 42 Number 12 "Various Changes"
- Commonwealth Register Volume 43 Number 08 Part 175-10.1 2655 "Sunset Provision"





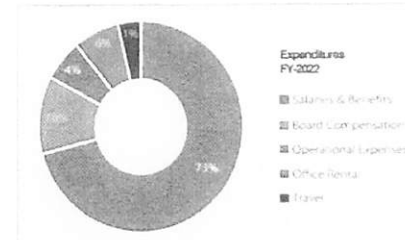
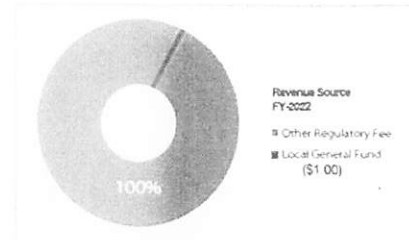
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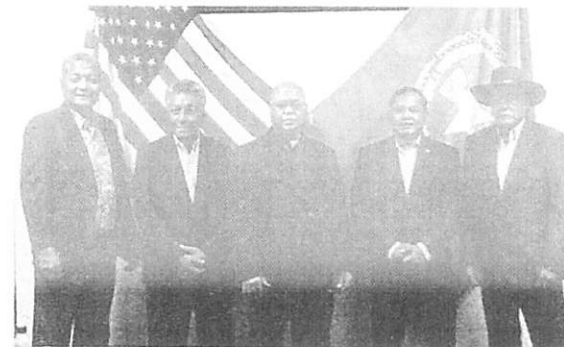
compensation

TABLE 1: REVENUE SOURCES		
	FY-2021	FY-2022
CCCRF Fund	\$0	\$0
Other Regulatory Fees	\$20,214	\$15,000
Local General Fund	\$1	\$1
<b>TOTAL</b>	<b>\$20,215</b>	<b>\$15,001</b>

TABLE 2: EXPENDITURES		
	FY-2021	FY-2022
Salaries & Benefits	\$1,424,606	\$561,795
Board Compensation	\$322,234	\$272,461
Operational Expenses	\$70,287	\$53,240
Office Rental	\$120,000	\$120,000
Travel	\$18,156	\$9,117
<b>TOTAL</b>	<b>\$1,955,283</b>	<b>\$1,016,613</b>



Commonwealth Casino Commission Staff 2022



2022 Commission Members. (Left to Right) Public Affairs Martin T. Mendiola, Treasurer Mariano Taitano, Chairman Edward C. DeLeon Guerrero, Vice Chairman Rafael S. Demapan, Secretary Ramon M. Dela Cruz

